



The City of San Diego

Staff Report

DATE ISSUED: 8/13/2021
TO: City Council
FROM: Economic Development Department
SUBJECT: San Diego Promise Zone Update

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Council District(s): 3, 4, 8, 9

OVERVIEW:

The San Diego Promise Zone (SDPZ) is a federal, place-based initiative created to improve the quality of life of residents in high poverty communities by uniting cross-sector organizations and building partnerships, fostering an investment ecosystem with shared goals that works to increase equitable access to opportunities. The SDPZ covers a 6.4-square-mile targeted area that spans some of the city's most culturally rich and ethnically diverse neighborhoods, but also some of its most under-resourced and historically underinvested, including Barrio Logan, Logan Heights, Encanto, Southeastern, and parts of East Village in Downtown San Diego.

PROPOSED ACTIONS:

This item is for information only.

DISCUSSION OF ITEM:

In 2013, the federal administration unveiled the Promise Zone initiative, which would designate a number of urban, rural, and tribal communities nationwide as Promise Zone communities. Promise Zones are high poverty communities where the federal government partners with local leaders to increase economic activity, improve educational opportunities, leverage private investment, reduce violent crime, enhance public health, and address other priorities as identified by the community. Nationwide, 22 Promise Zones were selected through three rounds of national competition, in which applicants demonstrated a consensus vision for their community and its residents, the capacity to carry it out, and a shared commitment to specific, measurable results. For a period of 10 years, Promise Zone designees receive:

- An opportunity to engage five AmeriCorps VISTA members in the Promise Zone's work
- A federal liaison assigned to help designees navigate federal programs

- Preferences for certain competitive federal grant programs and technical assistance from 13 participating federal agencies
- Promise Zone tax incentives, if enacted by Congress

A Promise Zone is a designation overseen by a federal agency and does not receive direct federal funding. Specific benefits made available to Promise Zones vary from year to year due to changes in the agency policies and changes in appropriations and authorizations for relevant programs.

In June 2016, the San Diego Promise Zone (SDPZ) became one of only four Promise Zones in California, covering a 6.4-square-mile targeted area that spans some of the city's most culturally rich and ethnically diverse neighborhoods, but also some of the city's most under-resourced and historically underinvested communities. Through the federal designation, the initiative's intent is to improve the quality of life of Promise Zone residents by uniting organizations and building partnerships, fostering an investment ecosystem with shared goals that works to increase equitable access to opportunities.

The SDPZ includes the communities of Barrio Logan, Logan Heights, Encanto, Southeastern and parts of East Village in Downtown San Diego. It maintains a unique distinction from other Promise Zones in that all SDPZ census tracts are also Qualified Opportunity Zones.

As the lead organization, the City of San Diego's Economic Development Department unites federal government partners with over 65 local, private-, and public-sector partner organizations to streamline and prioritize resources across agencies, deliver comprehensive support, and improve the quality of life of more than 80,000 residents. The City works in partnership with AmeriCorps Volunteers in Service to America (VISTA) to guide the initiative's vision and strategy as determined by community needs; support aligned priorities and activities; establish shared measurement practices; build public will; advance policy; and attract and mobilize funding—all through a collaborative framework.

The SDPZ works with community leaders to support these neighborhoods by advancing the following goals:

- Creating Jobs
- Improving Educational Opportunities
- Increasing Economic Activity
- Creating a Priority of Safety
- Increasing Access to Affordable Housing
- Promoting Access to Healthcare and Healthy Foods

To accomplish these goals, the SDPZ partners participate in working group meetings that focus on collaborative projects and activities to leverage funding opportunities and resources from all sources, including federal, state, local, corporate, and philanthropic. The SDPZ builds capacity for its partners by forecasting and sharing resources and funding opportunities, advocating for prioritization among government policies, and connecting partners to one another to create an ecosystem of organizations under a common agenda. Over the life of the designation, partners have collectively pursued more than 30 federal grants, resulting in approximately \$46 million in funding.

Fiscal Considerations:

N/A

Charter Section 225 Disclosure of Business Interests:

N/A; there is no contract associated with this action.

City Strategic Plan Goal(s)/Objective(s):

Goal 3: Create and sustain a resilient and economically prosperous City with opportunity in every community.

Environmental Impact:

N/A

Equal Opportunity Contracting Information (if applicable):

N/A

Previous Council and/or Committee Actions:

N/A

Key Stakeholders and Community Outreach Efforts:

The San Diego Promise Zone hosts monthly working group meetings to advance the six main goals of the designations and to foster partnerships with community-serving organizations, government agencies, and philanthropic, corporate and educational institutions with shared goals.

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